



# Women's Task Force Review

## Focusing on Women

Resolving Issues for Women Business Owners in the 21st Century

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Region V Women's Task Force

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*All of the SBA's programs and services are provided to the public on nondiscriminatory basis.*

## Inspire-Educate-Inform-Update-Teach-Encourage

As SBA Women Business Owner Representatives, we strive to do all the title implies and more to help women realize their dream of business ownership. We are SBA employees working in the Midwest states who are committed to the success of entrepreneurial women.

Our task force primary goal is to help women business owners access capital, information, and resources. We agreed to meet on a regular basis, to share ideas, best practices and resources, and to learn from each other. And most importantly, we'll share this information with you, through this newsletter, via the Internet, and in special programs we'll conduct throughout the Midwest region.

Each newsletter will focus on a specific issue or program area where we'll feature articles and resources, questions and

answers, and showcase and showcase successful women entrepreneurs who have benefited from using our programs. We're looking for success stories from loan officers or entrepreneurs who have used our programs. If you have a story to share for publication in an upcoming issue, please drop us a line or email us at our regional office. You'll be an inspiration to all.



Our goal is simple: we'll help you break the myths and build your dream of business ownership. Because after all, you're in business for yourself, not by yourself.

Send comments to your state representative listed on this page.

## On-line Information on SBA Loan Products

A good way to get forms and information on the SBA's loan programs is from our on-line website: <http://www.sba.gov/financing>

This site contains information on all of the SBA loan products. Looking for a short description of the Microloan Program to give to a client just go to the SBA financing page for help.

Need a list of current intermediaries to send to clients? The site contains a list of all of the intermediaries in each state.

Loan forms can be read on-line or downloaded to your computer. Place this valuable site in your favorite folder in your web browser.

## Welcome to Our New Women's Publication

**Barbara Notestein,**  
**Regional Administrator**

The Small Business Administration is on a continuous search for ways to reach our prospective clients. Here in

Region V we have decided to develop a new tool to reach one of our most important "New Markets": Women. The growth in women owned businesses during the past two

decades has been substantial. In 1999 the Foundation of Women Business Owners (NFWBO) estimated there were 9.1 million women-owned businesses, employing 27.5 million people and generating over \$3.6 trillion in sales and revenues.

More than 70% of women-owned businesses are in the services and retail trade sectors. Over 60% of women-owned businesses were operated in the home when they were first established. Women own about 37% of the more than 9 million home-based businesses, according to the U.S. Census Bureau's 1992 Characteristics of Business Owners.

The SBA has several tools to help these budding new micro-businesses. It has developed loan programs that can provide assistance to these small businesses, which need less capital to finance their start-up.

The **SBA MicroLoan Program** is an important tool developed to help turn these entrepreneur dreams into reality. Women business owners have received more than 45% of all SBA loans under the MicroLoan Program since its inception in 1992. This issue of "Women's Taskforce Review" is focused at the SBA MicroLoan Program and the role it plays in assisting women entrepreneurs.



I hope that you will enjoy this new quarterly communication tool developed by our Region V Women's Task Force. I want to thank them for their hard work and creativity in its development. Please

write us and let us know what your thoughts are regarding this publication. We would be interested in hearing your thoughts. Also let us know what else you would be interested in hearing more about in this publication. To provide feedback to us, e-mail:

[mary.trimmier@sba.gov](mailto:mary.trimmier@sba.gov)

### Client Q & A

**"What is my option if I only need to borrow a very small amount of money?"**

A microloan may be your answer. Microloans are available in small dollar amounts, usually under \$25,000 and can be as little as \$100. Unlike bank loans, microloans are obtained directly from a non-profit intermediary. These non-profit intermediaries have experience in small business lending. The SBA lends money to the non-profit organization, which in turn lend

money in micro amounts to small business owners.

**"What can I do if I don't have a credit history in business and my personal credit isn't perfect?"**

MicroLoans are an excellent starting point in establishing a credit history for your business. A microloan may be a viable solution in those cases where the business owner does not have a track record in business, or has some minor credit problems that may result in a declination from a bank. There are many examples of women who have financed their start-up business first with a microloan, paid it back, then went on to secure an SBA Guaranteed bank loan through the SBA Pre-Qualification Loan program, and eventually received a bank loan through regular lending institutions. Most microlenders require that you have a written business plan with detailed information on start up costs, and revenue and expense projections for the first 12 months of operation. Each microlender will have their own requirements and criteria for approving loans, so it's best to check with the microlender that serves your area.

### Microloan Program

- Loans to \$25,000
- Technical help provided
- Use of proceeds for most business uses except real estate & debt financing
- Available from non-profit micro-lenders

### Upcoming Events

**September 27 - 28**  
**Duluth, Minnesota**  
**2000 AEO Midwest Regional**  
**Conference and Minnesota**  
**Micro-Enterprise Conference**  
**(218) 749-4191**

## Where there is a Micro-Lender, there's a Successful Micro-Enterprise

A micro-enterprise is a small business that employs fewer than five (5) employees, plus the owner, and requires under \$25,000 to start. No surprise to anyone, women business owners often fit into the micro-enterprise category.

Micro-enterprise is everywhere, urban and rural, and where there's a SBA Micro-lender, there's a success story to be told. Nationwide our Micro-lenders have helped 9,800 micro-businesses and those numbers keep growing as SBA expands the program. Here are just a few of the enterprising women in this region that have taken advantage of this program.

**Detroit, Michigan** - Anita Bycraft-Walker started her home cleaning business in 1993 despite the fact that she didn't own a car and was totally bankrupt. She began in her own neighborhood and would walk from house to house searching for homes to clean and passing out flyers. As the months went by, Bycraft-Walker was soon cleaning homes on a daily basis and beginning to earn some money. In 1994 she moved her business from residential to commercial cleaning. Sales have risen more than 25 times the 1993 earnings and she now employs 42 people. Among other programs, Anita secured two loans at the Center for Empowerment and Economic Development utilizing the SBA MicroLoan Program.

**Duluth, Minnesota** - With a family investment of \$700 and a SBA MicroLoan from the Northeast Entrepreneur Fund, Carol Willoughby fixed up a small workshop in her backyard and began making wedding and church banners. Today, her business provides convention, sporting event, and special promotion signage for the Duluth and the upper Midwest. The original shop is now used for storage and overflow work. A new building, 600 square feet, stands beside it. Carol and her husband work in the business full time with their children and as many as ten neighbors working in the business during busy periods. Carol credits the Northeast Entrepreneur Fund with teaching her about business ownership and coaching her through the growth and development of her business.

**Columbus, Ohio** - Terra Cotta is a retail business specializing in unique clayware, iron furniture and accent pieces, fountains and plant material suitable for gardening. Upon entering the store, one is surrounded by the sounds of flowing water, scents of dried flowers and candles. Terra Cotta has established itself as the source for unique pottery and garden accessories in central Ohio. Sales now exceed \$450,000 and Terra Cotta's owner started it all with SBA's MicroLoan program at Columbus Countywide Development Corp. for initial financing of \$7,500 in 1996.

**Milwaukee, Wisconsin** - In 1996, Alice Jones of Alice & Wonderful Land Learning Express Center approached Wisconsin Women's Business Initiative Corporation. She was homeless, unemployed, recently divorced and a full-time student. "WWBIC looked past all of those things and made me feel comfortable," says Alice. They made her a \$15,000 loan to start a day care center. Today, Alice operates two centers serving nearly 100 children in two culturally diverse areas of the city. Throughout her growth, she has received the support of this micro-lender. Today she provides support for the kids and parents of each of her two centers.

**SBA's MicroLoan Program** has helped businesses secure funds from Koochiching County in Minnesota to Tuscarawas County in Ohio and many counties in between. You too can take advantage of the program by contacting SBA or a Micro-lender in your area.

## Pending National Legislation

Pending Legislative changes - Microloans:

- Increase microloan amount to \$35,000
- Increase the maximum micro-lenders from the current 200 to:
  - 250 in FY 2001
  - 300 in FY 2002
  - 350 in FY 2003
- Would allow additional entities to participate as a micro-lender by allowing experience of individuals in the organization to qualify the organization.

## MIDWEST REGION MICRO-LENDERS

### Illinois Micro-Lenders

Chicago, IL (serving statewide with except of other lender's service area)

#### **Illinois Development Finance Authority**

(312) 627-1434, Fax (312) 496-0578

Chicago, IL (serving portions of Chicago)

#### **Neighborhood Inst./Women's Self Employment Project**

(312) 606-8255, Fax (312) 606-9215

Carbondale, (as above)

#### **Illinois Development Finance Authority**

(618) 453-5566

Peoria, IL (Peoria, Tazwell and Woodford counties)

#### **Economic Development Council for the Peoria Area**

(309) 495-5959, Fax (309) 676-6638

Springfield, IL (as above)

#### **Illinois Development Finance Authority**

(217) 524-1567

Sterling, IL (serving city of Sterling, Whiteside & Lee counties)

#### **Greater Sterling Development Corporation**

(815) 625-5255, Fax (815) 625-5094

### Indiana Micro-Lenders

Bloomington, IN (serving 7 counties)

#### **Bloomington Area Microenterprise Initiative**

(812) 333-4276

### Michigan Micro-Lenders

Washtenaw, Oakland, and Wayne Counties (except Detroit)

#### **Center for Empowerment and Economic Development**

(734) 677-1400, Fax (734) 677-1465

Genesee County

#### **Community Capital Development Corporation**

(810) 239-5847, Fax (810) 239-5575

Upper Peninsula

#### **Northern Economic Initiative Corporation**

(906) 228-5571, Fax (906) 228-5572

Northern Lower Peninsula

#### **Rural Michigan Intermediary Relending Program**

(231) 941-5858, Fax (231) 941-4616

Saginaw, MI

#### **Saginaw Economic Development Center**

(517) 759-1395

### Minnesota Micro-Lenders

Minneapolis, MN

#### **Minneapolis Consortium of Community Developers, Inc.**

(612) 371-9986, Fax (612) 673-0379

Virginia, MN (serving 7 counties)

#### **Northeast Entrepreneur Fund, Inc.**

(218) 749-4191, Fax (218) 741-4249

Bemidji, MN (serving 12 counties)

#### **Northwest Minnesota Foundation**

(218) 759-2057, Fax (218) 759-2328

St. Paul, MN (serving 12 counties)

#### **Women Venture**

(651) 646-3808, Fax (651) 641-7223

### Ohio Micro-Lenders

Cincinnati, OH (serving 8 counties)

#### **Hamilton County Development Corporation**

(513) 631-8292

Akron, OH (serving 6 counties)

#### **Women's Organization for Mentoring, Entrepreneurship and Networking (W.O.M.E.N.)**

(330) 379-9280, Fax (330) 379-3454

Kent, OH (serving 11 counties)

#### **Kent Regional Business Alliance**

(330) 672-2772 ext. 260, Fax (330) 672-9338

Columbus, OH (serving 4 counties)

#### **Columbus Countywide Development Corporation**

(614) 645-6171

The Plains, OH (serving 30 counties)

#### **Enterprise Development Corporation**

(740) 797-9646 or 800-822-6096

### Wisconsin Micro-Lenders

Almena, WI (serving statewide except 10 counties)

#### **Impact Seven**

(715) 357-3334

Fond du Lac, WI (Fond du Lac county)

#### **ADVOCAP**

(920) 922-7760, Fax (920)-922-7214

Madison, WI (serving statewide except 10 counties)

#### **Impact Seven**

(608) 251-8450

Milwaukee, WI (statewide)

#### **Wisconsin Women's Business Initiative Corporation**

(414) 263-5450, Fax (414)-263-5456

Oshkosh, WI (Winnebago county)

#### **ADVOCAP**

(920) 426-0150





## PARTNERSHIPS KEY TO WISCONSIN'S SUCCESS

Wisconsin's Small Business Week program is a premier event in Region V. Planning for the Wisconsin Small Business 2000 Week began during July of 1999. Small Business Week in Wisconsin is a team effort in our Milwaukee and Madison Offices. Lead by Mary Trimmer, an Economic Development Specialist in Milwaukee and Jim Bren, Chief of Portfolio Management in the Madison Office the team produced two major events with over 700 individuals in attendance and partnered with several other events held during this time.

Working with our six advisory councils, located throughout the state, the Wisconsin Small Business Week Team spends a great deal of energy developing nominations and events to take place during Wisconsin's Small Business Week celebration. Local media partners help to advertise the nominations and the awards throughout the year.

Developing partnerships is a key to the success of these events. Awards are not only given out at the two major Small Business Week events held in Madison and Milwaukee, but are also connected to several other events. In 2000, Small Business Week awards were presented at the Wisconsin Women's Entrepreneurs Annual State Dinner, State Bankers Conference in Stevens Point plus the two events held in Madison and Milwaukee. These events exposure over 1200 individuals to our award programs.

Partnerships are also a major component of the marketing for these events. Each event is partnered with

local television, radio, and print media. Over 300 ads are provided by WTDY radio in Madison alone.

The Small Business Times and Business Journal in Milwaukee play a major role in producing local resource guides and advertising the events and nominations. These organizations plus local television and other media play a part in our programs from the beginning. Representatives sit on event planning boards and provide their expertise as well as their resources to our program

The Small Business Development Center in Milwaukee and the University of Wisconsin – Milwaukee helped the SBA celebrate Small Business Week this year by hosting an event called the Milwaukee Idea. This event, held during the national week celebration, looked at the new partnerships being developed by the SBA, SBDC, University and the Wisconsin Department of Commerce to better serve small business clients in the in the greater Milwaukee Community.

The major events held by the Madison and Milwaukee offices were held during the weeks of May 29 through June 9<sup>th</sup>. These events included a National Academy Foundation (NAF) media event with a theme of "A Partnership for Work-World Education in the 21<sup>st</sup> Century." The Wisconsin SBA Public Information Officer worked with three local schools to attract national leadership of the NAF, local, state and federal officials and local business leaders to voice support for this pilot project in Milwaukee.

A local business publication is exploring placing the NAF Pledge Card in an upcoming edition. A thirty minute radio program hosted by WGLB a local African American radio station was held at the end of this event.

On May 31<sup>st</sup> the Milwaukee SBA office, state CDC and a local law firm hosted a reception for the 2000 State of Wisconsin award winners. This event was followed by an Awards Breakfast on June 1<sup>st</sup> with over 400 members of the small business community in attendance. A unique part of this year's event was the production of short video clips produced on each of the winners and played during their receiving of awards. Leading up to the Small Business Week Event Fox 6 in Milwaukee ran 20 ads for the event featuring the local award winners.

The Milwaukee Breakfast was followed by two additional events. A statewide advisory council meeting with representation from our 6 regional advisory councils was held. The Regional Administrator, Barbara Notestein met with the group to discuss issues and ideas that they have to help the SBA better serve the small business community in Wisconsin. In the afternoon a finance workshop which include several of the SBA's financing partners were held at the Hispanic Chamber of Commerce led by Milwaukee economic development staff and focused towards our New Market clients in Milwaukee.

